



Renewable Energy Programs

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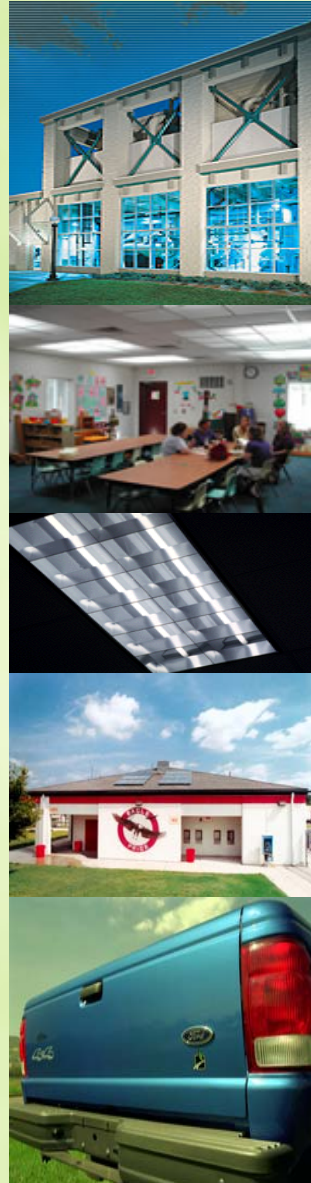


Energy Policy Principles

1. Florida needs to develop a Strategic Plan for conservation and renewables based on appropriate resource and technology assessments.
2. Florida energy policy must consider the value of a KWH saved (conservation 1st).
3. Develop a state fund to address technology development needs, and provide economic support to communities for the development of local renewable energy and conservation programs
4. Renewable portfolio standards should be based on quantitative resource assessments and sound economic impact analysis.

Current Renewable Energy Activities

- **Solar for Schools Project**
 - 5 schools installed
 - In discussions with OCPS to expand program
 - OUC will sponsor education kits
- **Orange County Landfill Methane Recovery Project**
 - Displaces more than 3% of fossil fuel purchases
 - Investigating landfill gas potential at new sites
- **OUC's Administration Building**
 - Applying for LEED Gold Certification
 - Includes solar hot water and 32 KW PV System
 - Currently applying for CREB funds for PV system
- **Biodiesel Purchases for Fleet**
 - 2007 purchases will total more than 120,000 gallons
 - Evaluating joint purchase opportunities with other government entities



Proposed Renewable Energy Efforts

- Teaming with Orange County for solar project on Convention Center
 - Will re-apply for DEP RE Grants Program
 - OC received grant from U.S. DOE for system design
 - Up to 1 MW solar project dependent on funding
- Applied for a Solar Cities Strategic Planning Grant
 - Partnering with City of Orlando and Orange County
 - OUC will attempt to move forward with or without funding
- Conducting feasibility study with City of Orlando and Orange County on waste to energy gasification
 - Kick off meeting scheduled for June 27th
- Evaluating new biomass opportunities
 - Pursuing Florida Municipal Energy Efficiency Committee (FMEC) joint project opportunities



GHG Inventory and Climate Strategy

- RFP released in June
- Outcomes:
 - Comprehensive sustainability audit
 - Baseline GHG impacts
 - Annual reporting mechanism
 - Review of regulatory and market impacts
 - Industry benchmarking analysis
 - Organizational GHG reduction plan including renewables and efficiency



OUC Green Energy Program

- Green energy blend of:
 - Local biogas (75%)
 - Local solar (20%)
 - Purchased wind (5%)
- Open to residential and commercial customers
- \$5 per green energy block supports 200 KWH of green power
- \$10 per 100% solar energy 200 KWH block
- Positive net revenues estimated by year 2 of operation
- Marketing RFP to be issued in early June
- REC Management RFP to be issued in mid June
- Pending Board and FPSC Approval



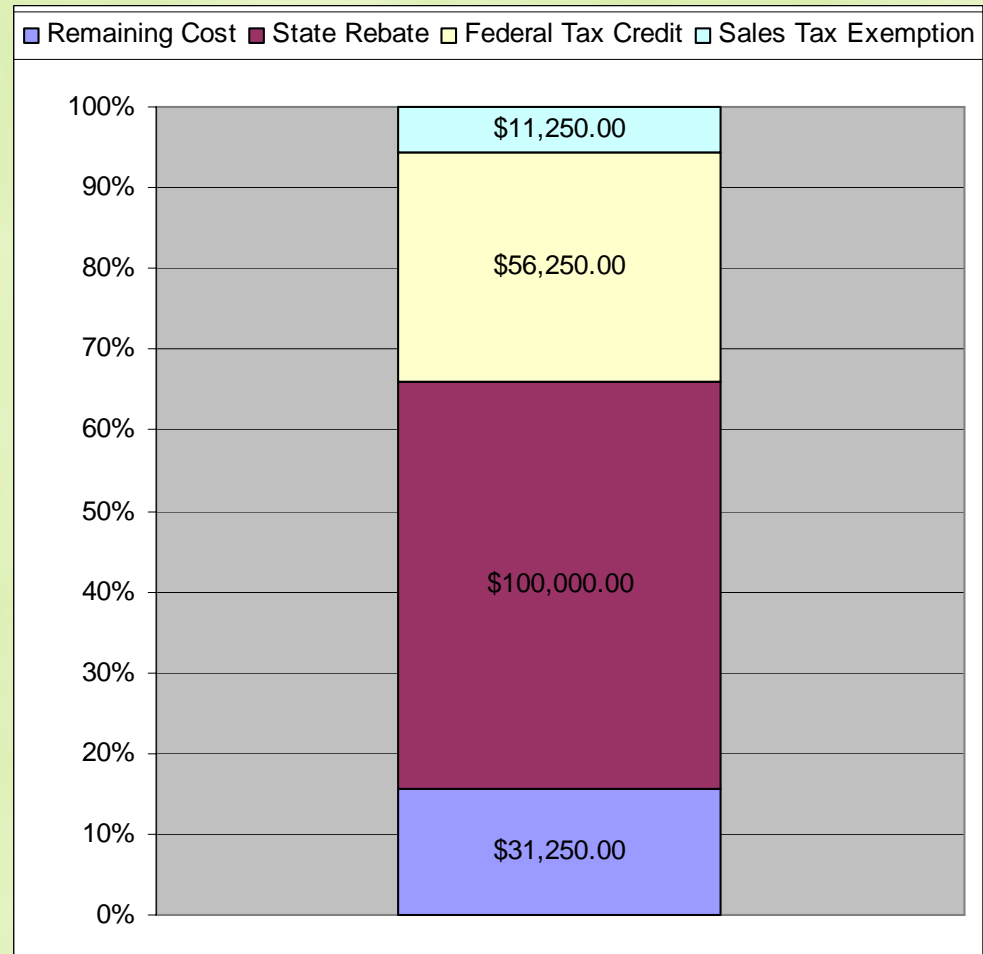
Proposed Solar Incentives

- Production incentive programs for residential and commercial customers
 - PV (solar electric) panels
 - Solar hot water systems
- Proposed billing solution through a financial institution partner
 - Low or no interest payments on utility bill
 - Awaiting board approval from lender
- OUC obtains all Renewable Energy Credits (RECs) through metering
 - May offset anticipated emissions requirements/penalties
 - Excess sold on open market as revenue to business unit
- All systems require a second meter to track total KWH produced
- OUC offers Preferred Contractor Network
- Pending Board and FPSC Approval



Combined Incentives for Commercial PV

- 25 Kilowatt DC Array
- 25 Year Life
- All energy used onsite
- Total System Cost = \$198,750
- Incentive Savings = \$167,500
- Final Cost = \$31,250
- Estimated LEC = \$0.046/KWH
- Typical Avg. electric cost \$0.095/kWh



Impact of FY2008 Renewable Energy Programs

Predicted OUC Retail MWH in 2008	5,600,000
Potential Impact of Solar Thermal Programs (MWH) - 0.71 MW Capacity	994
Potential Impact of Solar PV Programs (MWH) 0.78 MW Capacity	1,092
Potential Impact of 1 MW solar project (MWH)	1,400
Landfill Methane Contribution (MWH)	87,600
Potential % Served by Renewables in 2008	1.6